

PSJ3
Exhibit 474

Message

From: Lankford, Elizabeth A [elankford@hdmanet.org]
Sent: 1/16/2015 7:46:38 PM
To: Lankford, Elizabeth A [elankford@hdmanet.org]
Subject: HDMA End of Week Summary 1/16/15
Attachments: 2015 State Drug Abuse Task Force Spreadsheet.xls

I have attached an updated Prescription Drug Abuse Task Force Chart

Arizona

- Senator Barto (R) has sponsored SB 1039. The bill aligns state language on pedigree with the new federal requirements on preemption and implementation. This is mostly clean-up language and does include the provisions for compounding from Title I. SB 1039 is on its second reading in the senate. Devin has reached out to the board staff in Arizona to gather any additional information that may be pertinent to the bill at this time. As you read through this, please let Devin know if you have any questions or additional thoughts.
- House Bill 2139 proposes numerous rescheduling changes. I believe most of the changes have already happened on the Federal level and Arizona is catching up. Please refer to my email earlier today with the full list.

San Mateo, California

- San Mateo County California is considering a proposed drug disposal ordinance similar to Alameda County California. The proposal would shift the cost of disposal from the county to the manufacturers. The San Francisco Examiner has a story on the proposal: Proposed San Mateo County ordinance would require drug companies to pay for disposal program.

Connecticut

- HDMA is tracking House Bill 5104- broad drug disposal legislation. The language requires the Department of Emergency Services and Public Protection, in consultation with the Connecticut Pharmacists Association and the Connecticut Police Chiefs Association, to develop and implement a program for the collection and disposal of unwanted pharmaceuticals.

Florida

- Dan will be circulating another Declaratory Statement shortly, requested by Owens and Minor. If you would like to read it now, here is a copy.

Indiana

- The Indiana Legislature has been inundated with PSE rescheduling bills this session. Indiana Senate Bill 290 and House Bill 1382 propose rescheduling Pseudoephedrine and Ephedrine as a Schedule III. Indiana Senate Bill 445 proposes a study to look at the impact of rescheduling Pseudoephedrine and Ephedrine as a Schedule IV. HDMA is reaching out to the sponsors to consider the storage and handling exemption.

Kansas

- Dan circulated a redlined document the Kansas Board of Pharmacy is considering. According to the Executive Director, Debbie Billingsley, she expects to make some further changes related to outsourcing but they are very happy with the attached draft that was redlined by Martha Russell at Cardinal. These changes delete preempted state pedigree language and definitions and includes new relevant federal requirements. This will be sent to leg. counsel by the Board to be drafted into legislation. Please let Dan know if you have any concerns

Michigan

- LARA is still in the midst of an internal bureaucratic shuffle. Devin is waiting to hear back on her request for guidance so companies may make their changes.

Mississippi

- Senate Bill 2118 is proposing the following changes to the Controlled Substance list: Hydrocodone Combination Products, Schedule II; Perampanel, Schedule III; and Alfaxalone, Schedule IV. I have included Senate Bill 2118 in the Legislative Action Chart.

Montana

- Senate Bill 7 passed the Senate this week and moves to the House. As a reminder, Senate Bill 7 sets a \$30 fee to prescribers, dispensers, and distributors to be used for the PDMP upkeep. If Senate Bill 7 passes, it will go into effect July 1, 2015.

North Dakota

- North Dakota Senate Industry, Business, and Labor Committee have introduced Senate Bill 2086 at the request of the Board of Pharmacy. Senate Bill 2086 establishes a 3PL license (separate from a wholesale distributor license.) Senate Bill 2086 had a hearing this week and has been voted out of the Industry, Business, and Labor Committee. Dan spoke with Mark Hardy, the Executive Director of the North Dakota Board of Pharmacy yesterday. He indicated that they do not anticipate making any amendments to the legislation. The Board is aware that the DSCSA preempts their state pedigree requirements but he does not feel it is necessary to have to delete the relevant state language. Please let us know if you want us to push the Board to make amendments.

South Carolina

- Representative L. Kit Spires has introduced House Bill 3160 requiring a prescription for PSE products. House Bill 3160 does not reschedule PSE. I have included House Bill 3160 in the legislative action chart and HDMA will be tracking.

South Dakota

- South Dakota Senate Bill 61 will be making multiple changes to the controlled substance list. To the best of my knowledge, none of the proposed changes are drugs we would ask for the storage, handling, and record keeping exemption. The following have been proposed as a Schedule II: Morphine, Hydrocodone, Codeine, Dihydrocodeine, Ethylmorphine, Oxycodone, and Hydromorphone. The following have been proposed a Schedule III: Alprazolam, Midazolam, Temazepam, Alfaxalone, Tramadol, and Suvorexant. Additionally, Senate Bill 61 will be adding numerous synthetic cannabinoids to Schedule I. If your company would like for me to track synthetic cannabinoids in a Schedule I, please contact me.

Virginia

- Delegate Keith Hodges (R) introduced House Bill 1736, the Board of Pharmacy legislation on suspicious ordering. Given the tight time frame of this legislative session, we have hired a contract lobbyist, Reggie Jones, in Richmond that is familiar with our industry through working with us in the past and connected to the Legislature. In our initial conversation, he laid out his thoughts on how to proceed. He indicated that the best strategy would be to try to amend the bill since it does keep showing up. This way we have a better chance of working with the sponsor and board, rather than facing off with them. The language in the bill does contain the requirement of reporting when a wholesale distributor "ceases" distribution and also includes language on civil liability. Also, I had a conversation with NACDS and the VA Retail Federation, both of whom are not comfortable with this language as drafted and would like to see it amended or killed. The representative from the retail federation had an initial conversation with Del. Hodges, the sponsor, yesterday, and he was amenable to looking at changing the language. As a reminder, Virginia has a short session with an expected end date of February 8, 2015.
- Attorney General Mark Herring announced his package of bills targeting heroin and prescription drug abuse. As you might recall, Governor McAuliffe and Attorney General Herring held various meetings in 2014 asking for input from health care professionals and law enforcement on changes that need to be made to address heroin and prescription drug abuse issues. I have included the bills below and a quick summary. I will not be adding to the legislative action chart, however, I will be tracking their progress as session progresses. If there are any changes, I will let you know.

1) VA House Bill 1638- Proposes charging drug dealers with felony homicide if person dies from overdose

- 2) VA House Bill 1500- Good Samaritan law
- 3) VA House Bill 1458- Proposes providing first responders and law enforcement with naloxone
- 4) VA Senate Bill 817- Proposes for Dept. of Health Professions to disclose more information about prescriptions to police officers, probation officers, or parole officers.

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